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Bribery Scandal Rocks West Berlin

West Berlin was shaken in November by a scandal which broke all previous records for dirt and corruption. West Berliners are so accustomed to scandals that only the biggest get front page coverage; this one made top headlines for weeks.

The main ingredients of the scandal were widespread bribery, war crimes committed during the nazi period, and attempts by leaders of West Berlin's two-party coalition government — Social Democrats and Christian Democrats — to cover up, hush up and whitewash the cases involved.

Willy Brandt, Burgomaster of West Berlin, spot-lighted the affair by disappearing suddenly from the big Social Democratic Party convention only two days before it chose him as candidate to oppose Adenauer in next year's West German elections. In a lightning airplane visit to West Berlin, he managed to cut further publicity on the case to a minimum, though not before his own name had been raised in a suspicious connection.

The scandal was touched off at the end of October when a young legal expert named Kurt Schmidt turned down a promotion which offered every promise of a brilliant career as public prosecutor. His previous job had been investigating bribery cases, and his reason for rejecting the promotion was:

"I can no longer reconcile with my conscience the fact that prosecution investigations are being halted on orders from above."

Schmidt's statement started the ball rolling. West Berlin's House of Deputies soon resembled a wasp's nest, with both Social Democrats and Christian Democrats alarmed at the prospect of Schmidt saying who had stopped which bribery investigations. Angriest of all was the Vice-Chairman of the Christian Democrats, a deputy named Dr Alfons Waltzog, who called Schmidt juristically and personally immature, and threatened him with difficulties in his future legal career.

The next day seven prosecuting attorneys, all employed in West Berlin's very busy Bribery Investigation Department, backed up their colleague Schmidt with a 20-page document containing nine concrete examples of corruption and pressure tactics. Kept secret at first, the document was finally leaked to the press, and then made officially public after it was too late to do anything else. The document proved:

1. Top Senators and other politicians, of both ruling parties, made it a regular habit to cover up for friends and underlings caught in bribery cases. Their methods were intimidation, threats and, in many cases, downright orders to stop investigations.

The bribes involved everything from leather brief-cases and cases of wine up to sums of 10,000 marks. They were usually "presented" to government officials on all levels by private firms in order to get juicy government contracts. These bribes

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SOCIAL DEMOCRATS HOIST BLUE FLAGS

The Social Democratic Party of West Germany dropped its red flags, its working-class anthem, and most noteworthy, its opposition to atomic weapons at a big pre-election congress in Hanover November 21st to 25th. The congress also confirmed support of West Berlin Burgomaster Willy Brandt as its candidate to oppose Chancellor Konrad Adenauer in next year's parliamentary elections.

At the beginning of the congress, party chairman Erich Ollenhauer had re-proclaimed the principle: "The Federal Republic shall neither produce nor employ atomic or other mass destruction weapons", a part of the party programme adopted only last year. But he later bowed to the pressure of Brandt and other party leaders and it was resolved that West German armed forces should get the "most effective equipment and arms" and that Brandt should have a free hand in deciding what that meant. Brandt is in favour of atomic weapons.

The congress also emphasised the party's switch from its former opposition to military conscription and came all out in favour of NATO and the western alliance system. It will work together with Adenauer and his Christian Democrats on foreign policy if Adenauer is willing.

Willy Brandt announced that the main campaign will be fought on less controversial domestic issues like improved roads, good health and better education. The party would continue its friendship with the trade unions, but would make its decisions on economic policies without them, he said. This was in line with attempts by the leaders of the Social Democratic Party to discard its former reputation as a working class party in the hopes of winning middle class votes away from Adenauer.

Opposition to Brandt as party leader and to the new atomic arms policy was overridden at the congress, but is expected to grow among the party membership in coming months.

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were later referred to as "too petty to deserve investigation" or "social usage".

2. Willy Brandt, Social Democratic Burgomaster and his Christian Democratic Deputy Mayor Amrehn had both intervened to help an official convicted of handing out building contracts worth millions to firms which had remodeled his villa, built a pier for his pleasure boats and done him other expensive favours.

3. Detective Chief Sangmeister, an expert in arresting demonstrators against atomic war, was also involved in squelching bribery enquiries.

4. Top West Berlin administrators had even tipped off bribery suspects that their offices were to be searched for expensive gifts, despite explicit requests for silence by the prosecutors' office.

5. In two years, there had been approximately 800 cases of bribed officials and civil servants in West Berlin. Only 16 had been punished in court.

One man was sacrificed as a result of these exposures; Advocate General Hans-Helmuth Goercke, who had tried to balance between the prosecuting attorneys and the powerful government leaders. In the mutual mud-slinging which followed, two important new facts leaked out. Goercke, the man who was fired, had once been a storm troop leader and later a military judge. In May 1940 he had sentenced a soldier to death on such flimsy grounds that the sentence had to be revoked. Since this man is still living, Goercke has always been afraid of exposure, and had been an easy subject for all pressure tactics.

The second exposure involved Dr Alfons Waltzog, the man who had angrily attacked young Schmidt for his immaturity. Waltzog, it seems, had also been a military judge with the nazi Luftwaffe. In 1942 he published a legal article about taking civilian hostages. He wrote: "... if for example the other side continues its illegal actions, the hostages may then be killed. Taking hostages, therefore, does not only consist in imprisoning them ..." This article by Waltzog was used as an alibi by countless war criminals in post-war trials. It was actually the main legal attempt to justify the murder of tens of thousands of innocent men, women and children in all parts of occupied Europe.

Waltzog has apologised for his statements to Schmidt, but has tried to uphold his defence of killing hostages by saying that it was in line with legal opinions "valid at that time". Temporarily suspended from office, he is currently waiting for an investigation by his Christian Democratic colleagues.

Thus far, the spreading scandal in West Berlin has cost only these two men their jobs; Waltzog, only provisionally, and Goercke, with full financial security.

Since both coalition parties and almost all leading political figures are equally involved in the scandal, it seemed likely in early December that no-one else would be thrown to the lions. The "mote in thy brother's eye" is being very studiously overlooked by everyone, especially by Burgomaster Willy Brandt.

Why is West Berlin Worse?

An Editorial Comment

Lots of big cities have scandals. And bribery of city officials is certainly neither new nor restricted to West Berlin. Why is this latest scandal such big news then?

1. Because of its proportions. It proves that West Berlin officialdom was permeated from top to bottom with an atmosphere of bribery, favouritism and mutual cover-ups.

2. Because it shows that whenever mud starts flying in West Berlin, more old nazis turn up, men who committed all sorts of cruel and criminal actions under Hitler.

3. Because Willy Brandt the Burgomaster also used pressure to help a bribed official. He is the man just chosen by the West German Social Democrats to stand for Chancellor against Adenauer in next year's elections, despite mounting mistrust among the party membership. Adenauer's Christian Democrats were also heavily implicated. The two parties rule together in West Berlin.

4. Because Willy Brandt has traveled all over the world, most recently to Austria, Israel and the Pope in Rome, telling everyone who would listen that West Berlin was a lone island of freedom, morality and justice in a sea of communist wickedness. After the latest scandal, the West German magazine "Der Spiegel" called West Berlin an "Island Without Morals".

5. Because the main excuses for keeping this corruption from reaching the courts all these years have always been: Don't ruin West Berlin's reputation; Don't give the other side ammunition against us; Don't spoil our position as "island bastion against the East" or else the lush flow of financial support will be turned off by Bonn and Washington. This very financial support was largely involved in the contracts handed out by bribed officials.

6. And finally, because the western press hushed up the whole story, for it weakened the NATO position on "heroic West Berlin". A case in point: "The Times", London, reported that Brandt left the Social Democratic congress to spend a day "attending to affairs in Berlin". No word as to what affairs.

All this proves once again that West Berlin's "bastion complex" is outdated, harmful to itself and dangerous to everyone. Its position needs changing. Constructive proposals have been made and repeated; they are still awaiting serious discussion and negotiation.

Retreat on Embargo

The West German Government backed down on its announced embargo of trade with the German Democratic Republic on November 30th. The embargo, in the form of a cancellation of the trade agreement between the two parts of Germany, was to take effect at the end of the year. Announced originally on September 30th, the measure was explained by West German government spokesmen as a reprisal for the GDR's decision to keep ex-nazi militarists from arbitrarily crossing GDR territory or coming to East Berlin. West Germany is now ready to negotiate.

The embargo had been met with suspicion in Britain, France and other western countries. Even the United States, which had first backed the move according to semi-official statements, has now decided against worsening the Berlin situation.

The position of the GDR, which has always advocated a resumption of normal trade, was strengthened on November 30th when the Soviet Union promised to supply it with any products needed if the embargo should go into effect.

The other West German reprisal measure was to pressure NATO members to prevent GDR athletes, cultural, scientific and commercial representatives from obtaining visas to visit their countries. Among other results, this hampered trade contacts. British trade circles and their spokesmen have voiced the suspicion that West Germany wanted to keep them out of the GDR market in this way. This opinion has been strengthened by the latest West German attempts to resume trade with the GDR. (See the speech by Mr G.B. Drayson on the next page.)

Tory M. P. Hits Visa Ban

Under pressure from West Germany the British authorities have recently refused facilities for GDR businessmen, sportsmen, artists and others to visit Britain. In the House of Commons on November 15th, Mr G. B. Drayson, Conservative M. P. for Skipton, criticised this travel ban. Main points from his speech, which was almost entirely ignored by the British press, are reprinted below:

The subject I wish to raise tonight is that of the restrictions now being placed on East German businessmen and technicians wishing to visit this country ...

I always thought that it was our policy to remove travel restrictions wherever possible, but I now find that, since September, and even before then, travel between this country and East Germany has been restricted for businessmen who wish to come to this country ...

I am told that East Germany's total exports amount to £800 million a year, of which the United Kingdom share is only £7 million. I should say that it is £7 million each way making a total of £14 million. To my mind, that is far too little and it should be increased. Great efforts are being made by many people to increase trade with East Germany, but their efforts do not meet very much encouragement.

New Factor

There is now a new factor adding to the difficulties, namely, the inability of East German businessman and technicians to come to this country. I understand that this arises because the East Germans are placing certain restrictions on West Germans going into East Berlin. The trouble arose, of course, out of meetings of various organisations which took place in September in West Berlin. The House may remember that at that time there were rallies of ex-prisoners of war associations which caused a certain amount of concern in this country. In a leading article at the time, the "Daily Mail" said:

"To hold the gatherings now is perhaps a little provocative." It also stated:

"So was the demand made by Professor Erhard (West German Vice Chancellor, the ed.), a few days ago, for the return of Upper Silesia."

The "Daily Telegraph", in a leader referred to the "unnecessarily frank speeches about frontiers by Western German politicians" ...

The "Daily Express" said that "Britain must have misgivings about these rallies", which were certainly not intended to lower tension in the city.

The Potsdam Agreement — not that anyone pays much heed to that document now, although some of us think that the sentiments which it expressed were the things for which we had been fighting — clearly lays down what was to be the situation after the war:

"All German land, naval and air forces, the S.S. and Gestapo with all their organisations, staff and institutions including the General Staff, Officers Corps, Reserve Corps, Military Schools, War Veterans organisations together with all clubs and associations which serve to keep alive the military tradition of Germany shall be completely and finally abolished in such a manner as permanently to prevent the revival or reorganisation of German militarism."

I have a suspicion that it may well have been some of these clubs or associations holding these rallies in September this year which gave rise to our present difficulties ...

We must always remember that West Germany is our biggest trade rival. According to reports from Washington, she has just pushed us out of third place of exporters to the United States. I am told that great pressure was brought by Dr Adenauer or the Bonn Government on the British Government to impose these restrictions. I would ask: since when have we been subject to pressure from Bonn as to how we are to conduct our business affairs? Meanwhile, we are losing business which is going to Western Germany.

In June this year I visited an agricultural fair in Leipzig. A great deal of interest was shown in two Aberdeen Angus cattle, a bull and a heifer, which were being exhibited there. Following this an invitation was received from the Royal Agricultural Society to visit the Royal Agricultural Show at Cambridge, and I was told that the East Germans intended to spend at least £250,000 on British livestock, seeds and agricultural equipment. But no visas were forthcoming ...

Why should the British farmers and livestock industry be penalised in this way while the West Germans do not have these same disadvantages? ...

The same thing applies to steel ...

The other day, I happened to be in East Berlin. I did not notice any restriction on the movement of people going in and out. I met the head of the East German steel organisation, Deutsche Stahl, a Mr Samisch. He is well known in England and has been over here during the past year and has met all our steel people. There is hardly a major steel company which he has not visited. Now, he cannot get a visa ...

Hon. Members may have noticed that on Saturday the "Economist" referred to this as "embargo by passport" and said that it stops trade visits and that it may well stop orders being placed. It does not, however, stop the East Germans from getting the goods, because they will give the orders to our rivals. As a result, we lose the business ...

Football and Films

I find that this ban is not confined only to trade but exends to sport as well. That, I think, is most distasteful to any Englishman. Recently, in the European Amateur Football Union Cup the East German team, Wismut, were to play Glenavon in Belfast, but no visas were available. The Football Association intervened, I understand, but without success. The Glenavon team considered themselves victims of politics and sent a telegram saying that against their own wishes they had to retire from the event, so that the match went to the East Germans by default.

There was a film festival at the National Film Theatre, where an East German film, "The Confusion of Love", which has no politics in it, was shown, but the producer and the leading lady, and an East German film executive, who wanted to come here to buy British films, were refused visas.

Again, this week at the Motor Cycle Show at Earls Court the East Germans are exhibiting their machines which, I am told, are attracting a certain amount of interest, but the champion riders of East Germany are not allowed to be present to meet riders of this country or to explain their machines to them ...

I could say a great deal more about this subject, but there is not time. All I am asking tonight is that British business firms sould be placed on the same basis in relation to East Germany as firms in West Germany or any other country ... I want to demand equality with Western Germany for British firms, firms who are responding to the Prime Minister's exhortations to increase our exports overeas.

RISE AND FALL OF I. G. FARBEN

The I. G. Farben (which means Dyestuff Combine), largest corporation in Nazi Germany, helped Hitler to power, contributed an average of 7,000,000 marks annually to the nazi movement, earned millions on the production of chemicals and poison gas for Hitler's war machines, and seized the property of countless competitors as the nazi armies occupied one country after another.

Then came I. G. Farben's most horrible crimes; it worked thousands of nazi victims to death — in fact, one of its main plants was built inside the barbed wire confines of Auschwitz Concentration Camp, and I. G. Farben had top priority in slave allotments. When its slave labourers could no longer work, they were gassed with Zyklon gas, also developed and produced by I. G. Farben.

After the nazis, despite all of I. G. Farben's efforts, had lost the war, the combine was divided up. 60% of its property was confiscated — the part lying in Poland or eastern Germany. The rest, in West Germany, was divided up into 44 separate companies.

In 1947, 24 leaders of I. G. Farben went on trial in Nuremberg on war crimes charges. Pressure from US financial circles led to the acquittal of 11 of them; the other 13 received light sentences ranging from 18 months to 8 years on charges of looting and murder.

By 1949, most I. G. Farben factories in West Germany were back in full production, run by the old nazi directors but under nominal western allied control. On August 28th 1950, the Western High Commission issued a law on the dispersal of the assets of I. G. Farben and specifically stating that all persons convicted of war crimes were barred from holding any post in the new companies.

But by 1952, three new giants had emerged; **Bayer Leverkusen,** which is today West Germany's richest firm, **Badische Anilin & Soda Fabrik,** Ludwigshafen, second-strongest firm in West Germany in terms of capital, and **Farbwerke Hoechst,** the fifth-strongest. "In their remarkable come-back, the three companies last year rang up sales of $1,700,000,000 — more than three times the sales of the entire I. G. Farben trust in 1938." ("Time" Magazine, October 17th 1960)

These three firms are officially separate. Carl Wurster, head of Badische Anilin & Soda Fabrik, said, "We don't see any reason for reconcentrating. In our opinion, a return to the old I. G. Farben would be unwise, economically and politically."

Therefore, the unpleasant name I. G. Farben has never been revived, but the three companies have interlocking directories, agree completely on price and all other policies and own jointly a large number of subsidiary companies in many industrial branches, from plastics to missile fuel and uranium products. Thus I. G. Farben, very much alive despite the missing name, is now the largest chemical concern in Western Europe and a major factor in West German rearmament plans.

I. G. Farben men have a great influence on the West German Government, of course. Siegfried Balke, Minister for Atomic Affairs, is under strong I. G. Farben influence and Hermann J. Abs, head of the huge Deutsche Bank, is also Chairman of the Board of the Badische Anilin & Soda Fabrik. Abs, convicted in absentia as a war criminal in 1945, is "one of Dr Adenauer's most influential advisers" according to "The Times", London, a man whom the Chancellor "values more highly than any of his Cabinet ministers" according to the West German newsmagazine "Spiegel".

The I. G. Farben successors cultivate not only their political ties with Adenauer's Government, but also their economic ties with a multitude of foreign firms. They have signed agreements with Phillips Petroleum Co. and Standard Oil of the United States, with Imperial Chemical Industries of Britain, and with the French dye firm CFMC; they have subsidiaries in the USA — the Chemagro Corporation, New York, in Turkey, Brazil, Mexico, and other countries.

In 1958 the directors of Bayer Leverkusen, reporting to their stockholders about their success in selling drugs, stated, "The favourable development was influenced by the progress of the hoof and mouth epidemic in Germany and by the influenza epidemic which spread through numerous lands in the autumn of 1957."

These men, pleased alike at a new epidemic, a new shipment of concentration camp labourers or a chance to use new weapons, share much of the responsibility for present military production and foreign policy in West Germany.

The table on the opposite page shows what happened to the I. G. Farben men who were punished after 1945 for their war crimes, and also to some of the "big ones who got away".

General Order No. 2

Effective in the U. S. Zone of Germany on July 5th 1945

"WHEREAS I. G. Farben Industrie A. G. played a prominent part in building up and maintaining the German war machine; . . .

"WHEREAS the war-making power represented by the industries owned or controlled by I. G. Farben constitutes a major threat to the peace and security of the post-war world . . .

"WHEREAS it is essential to the objectives of the United Nations to take over the direction and control of I. G. Farben and to seize possession of its property in order to bring about its destruction and the war-making potential which it represents; . . .

"The direction and control of I. G. Farben and the possession of all its property are hereby seized by the Military Governor, United States Zone . . .

"The entire management of I. G. Farben are forthwith removed and discharged and deprived of all authority to act with respect to the corporation or its property."

BY ORDER OF THE
U.S. MILITARY GOVERNMENT

And in the GDR?

Many of the old I. G. Farben factories are in the GDR today. But their history has been completely different than the factories in West Germany. They are all public property — no profits go into the pockets of private stockholders. No war criminals — penalised or unpenalised — head these plants. No-one is interested in making even greater profits through increased production of missile fuels, chemical weapons or other military products.

Two goals are decisive in the big Leuna Works, Agfa Wolfen Factory, and other onetime I. G. Farben plants. The well-being of the employees — in the form of first-class medical, cultural and other benefits, and the well-being of the population as a whole, best guaranteed by production of plastics, synthetic fibres, artificial fertilisers, film and many other products. Both these aims can only be achieved if Germany and the world are at peace, and everyone working at these plants is keenly aware of this.

EX-CONVICTS MAKE GOOD

On July 30th 1948, a US Military Court in Nuremberg sentenced 13 executives of IG Farben to terms of imprisonment after finding them guilty on charges of murder and looting. The listing below shows who these men were, their sentences, and what they are doing today.

Name	Position under Hitler	Sentence	Present Occupation (1960)
Otto Ambros	IG Farben director; chairman of Chemical Warfare C'ttee of nazi Arms Ministry; manager of IG slave-labour factory at Auschwitz.	8 years	Director of two big chemical concerns linked with IG Farben: Scholven Chemie AG and Feldmuehle Papier AG.
Walther Duerrfeld	Director of IG slave-labour plant at Auschwitz.	8 years	Director of Scholven Chemie AG and Ruhr Nitrogen AG.
Fritz ter Meer	IG Farben director; personally responsible for poison gas production and experiments on concentration camp inmates.	7 years	Chairman of Board of Bayer Leverkusen, IG Farben successor firm.
Heinrich Buetefisch	IG Farben director; production chief of Auschwitz slave-labour factory; SS colonel.	6 years	Chairman of Board of chemical firm Kohle-Oel-Chemie, and director of Ruhrchemie AG.
Carl Krauch	Chairman of IG management c'ttee; nazi Special Commissar for Chemical Production.	6 years	Retired. Receives IG Farben "Honorary Pension" of about £25,000 annually.
Georg von Schnitzler	IG Farben director; head of commercial c'ttee.	5 years	No data available.
Hermann Schmitz	Chairman of IG directors. Nazi member of Reichstag.	4 years	Honorary Chairman of Rheinische Stahlwerke, IG Farben subsidiary.
Max Ilgner	IG Farben director; chief of IG office dealing with espionage and propaganda.	3 years	Deputy Chairman of Board of two chemical firms: Rheinauer Holzhydrolyse and Chemische Holzverwertung; director of Deutsch-Ueberseeische Bank, Hamburg; Chairman of the "Society for Christian Reconstruction".
Ernst Buergin	IG director.	2 years	No data available.
Paul Haefliger	IG director.	2 years	No data available.
Heinrich Oster	IG director.	2 years	No data available.
Friedrich Jaehne	IG director; nazi "war economy leader"	18 months	Chairman of the Board of Farbwerke Hoechst (IG Farben successor firm).
Hans Kugler	IG dye export director; nazi commissar for stolen Czech factory; nazi espionage officer.	18 months	Chairman of chemical firms Riedel de Haen AG and Cassella Farbwerke, two IG Farben subsidiaries.

Bayer Leverkusen: General Director — Prof Ulrich Haberland. Led the development of adamsit poison gas in 1938. Used Soviet prisoners of war to produce poison gas, although, according to testimony at the Nuremberg Trials (Document Nr. NI-8980), "... despite gas mask protection, adamsit works its way through the skin and has a destructive effect on the human organism." Haberland is back heading the same factory in Leverkusen. Adenauer has awarded him the "Federal Cross of Merit with Star".

Badische Anilin & Soda Fabrik: General Director — Prof Karl Wurster. Leader in the nazi armament programme before and during the war. Hitler awarded him the "Knight's Cross of the War Merit Cross" for his services. He is also back heading the same plant as during the war.

Farbwerke Hoechst: Chairman of the Board — Dr Friedrich Jaehne. Convicted war criminal — see table.

April 12th 1941

To Director Dr. ter Meer

"... At a banquet given us by the management of the Auschwitz Concentration Camp we decided on all further measures affecting the use of the really wonderful concentration camp organisation for the benefit of (I. G. Farben's) Buna Plant.

I remain with best greetings,
Your
Otto Ambros

(See the table for the present positions of Ambros and ter Meer.)

SHOPPING AT THE CO-OP

There are three kinds of shops in the German Democratic Republic, each of which handles about one-third of the country's retail trade. There are the private stores, the nationally-owned shops, and there are the more than 41,000 shops with the word "Konsum" over the entrance; these belong to the very strong co-operative movement.

The first co-op in the world, founded 1844 in Rochdale, England, was followed one year later by a co-op in the city of Chemnitz — today called Karl Marx Stadt and in the GDR. The co-ops grew most quickly in the working-class areas of the larger cities, where any chance to make ends meet a little better by cutting retail prices was more than welcome. But they were faced with many difficulties — sharp monopoly competition, discriminatory taxation and even political oppression — so that the co-op movement was always engaged in a battle against odds, and never played a large part in the economy.

Then came Hitler. The nazis limited the co-op movement more and more, confiscated their shops, warehouses and factories for making consumer goods. Finally they outlawed them completely in 1942. Some of the leaders in the co-op movement were also jailed.

Then after the defeat of the nazis in 1945, the Soviet Military Administration returned the stolen property to the co-operators in East Germany and the movement began to grow more rapidly than ever before in its history.

Today there are 3,700,000 co-op members — compared with 900,000 on the same territory before 1933. The number of shops, now 41,000, was only 3,500 before 1933, and was then largely restricted to selling groceries and other foodstuffs. Today the co-ops have shops of all kinds, selling everything from raisins to refrigerators.

What does membership in the co-ops mean in the GDR? Everyone can become a member if he is over 16, if he accepts the aims and goals of the co-operative movement, is willing to observe the rules and, finally, if he agrees to pay in his co-op share in the allotted time. These shares amount to 50 marks (about £4) and new members are allotted two years to pay them. If one member of a family is already a paid-up member, other members need only pay 20 marks to become full members; this is a method of encouraging husbands, wives and especially young people to join the co-op movement actively.

Every member pays his co-op shares in at the nearest co-op grocery store. Here he is enrolled and here he receives his dividends every year. How much money he receives depends upon the sales of the co-op and on the amount of purchases he has made in co-op stores. The dividends can range up to 3%, but they usually average somewhere between 1% and 2% of his purchases. Wherever a member goes shopping, for a loaf of bread in his local grocery co-op or for a TV set in a big co-op department store in the city centre, he shows his membership card and requests coupons equalling the amount he has purchased, which he then pastes into a special book. His dividends are later based on these coupons. The average dividends paid out per member have grown year by year; at present they have almost reached 50 marks; that means that, on the average, members receive back annually the amount they first paid in as a share to join the co-op.

The local grocery co-ops with their member-customers are the foundation for the whole movement. This is where the membership meets, makes decisions and elects its 8-man co-op committee by secret ballot. These election meetings are almost always well attended — at the last elections, more than 90% of all the members in the GDR voted, electing 127,000 members onto the committees.

These committee members, ⅔ of them women and all working on a voluntary basis, are the soul of the organisation. They arrange meetings and occasionally little fashion shows, outings or demonstrations of household equipment. They are responsible for winning new members and reminding them to pay their shares in time. Most important, perhaps, they supervise the work of the local co-op stores, check on book-keeping and inventories, and on assortment, storage and sale of the commodities. They work together with the paid staff of the co-ops in deciding personnel questions and improving sales methods, and they lend a hand in case of difficulties of any kind.

All these local membership groups in any one town, group of villages or city district form a co-operative unit, with delegates' conferences and an elected council, and these units form district and county co-operative organisations, and then, on the highest level, the Association of German Co-operatives which covers the whole German Democratic Republic.

Higher levels of the organisation are not only responsible for retail selling, of course, but also run warehouses, co-op owned bakeries, meat plants, and a number of factories for making consumer goods like soap, matches, brushes and food products. There are also schools to train co-op officials in administering the organisation, in sales techniques and trade and in the practices and principles of co-operation.

The Association of German Co-operatives is represented in the People's Chamber by 6 parliamentary members; in addition, it makes suggestions and helps the government with all decisions on questions of supply and retail trade.

One of the main tasks of the co-ops in the past years has been the improvement of shopping facilities for people living in the countryside. German villages, especially in the very backward areas of Mecklenburg in the north, were often terribly isolated from all but the most primitive shops; often they had to travel miles over bad roads to purchase clothing or household articles.

In the last five or ten years, the farmers in the GDR have become very prosperous, and their demand for high-quality and expensive merchandise has increased rapidly; with the growth of the co-operative farms they also finally managed to win some leisure time for themselves. That meant a higher demand for TV sets, cars and motorcycles, sports equipment, books and other such free-time commodities.

The co-op method to meet this big demand is to set up "retail districts" — one central village receives a variety of more specialised stores, and the other villages get at least enough new shops to make sure that all daily needs are met. Mobile services with perishable foods like fish visit even the smallest villages, and special sales of more expensive merchandise are also held occasionally in outlying villages to make travelling unnecessary for the villagers. The network of laundries, cleaners, and repair shops is also beginning to grow in the villages, and the co-ops have already established more than 4000 restaurants and taverns in rural districts. These improvements of life in the countryside are by no means completed, of course, but every year a great deal of progress is made.

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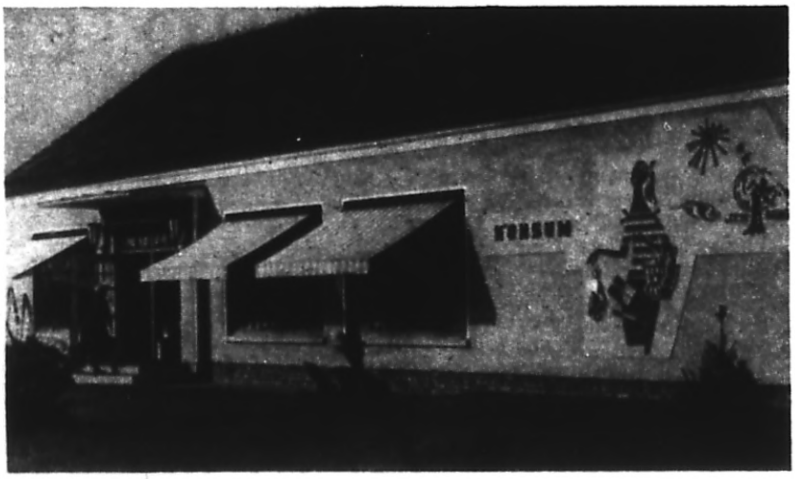
The cities are not neglected either, especially areas inhabited by industrial workers. The main stress here is on opening new special stores, such as for cameras, toys, women's or men's clothing, and also on modernising the existing stores.

More than 5000 retail stores have gone over to the increasingly popular self-service system in the past two years, which means more comfortable buying and much higher sales per shop employee, thus resulting in the long run in more dividends. By 1960 more than 50% of all foods and 25% of other commodities were being sold this basis, and by 1965 this should go up to 80% and 50% respectively.

Other improvements for the customers include shops which open very early or close late, enabling working people to make their purchases before or after work without any difficulties. Many co-op shops are run inside the larger factories or office buildings, too; this permits many working men and women to do their shopping before going home.

Most of the co-op movement's efforts and investments are spent in making things easier for its members and the rest of the buying public. But many of its funds are spent for its more than 200,000 employees — sales clerks, administrators, bookkeepers and the production workers in co-op factories. It runs schools to help them to advance themselves in their field, it grants bonuses for good work, supplies money for a wide variety of social and cultural benefits and, all in all, spends more than 160,000,000 marks for its employees over and above their salaries.



A new co-op grocery in a village of the GDR

The co-operative movement has flourished under socialist conditions in the GDR. This is no accident — as proved by the comparisons with pre-Hitler conditions and also with West Germany. There are about 3,700,000 co-op members in the GDR, over a million more than the membership figures in West Germany; there are 41,000 co-op shops in the GDR, but only about 10,000 such retail outlets in West Germany. And it should be recalled that West Germany has about three times as many inhabitants as the GDR.

With growing production and wages, full employment and stable prices, the co-op movement in the GDR faces a promising future.

LESS CRIME

Crime rates in Democratic Germany have dropped to a lower rate than at any time in the past 60 years, the latest police and court statistics show. The rate is continuing to drop rapidly, and was 9% lower in the first 6 months of 1960 than in the corresponding period in 1959.

This decrease came despite the bad influence of West Berlin, right in the middle of the GDR's territory; West Berlin not only has a crime rate higher than the rest of Germany, but it is the worst in all Europe in this respect.

Two tables show these facts clearly. The first one shows how many crimes were committed for every 100,000 inhabitants:

	GDR	West Germany
1958	1,072	3,175
1959	904	3,547

The second table shows the influence of West Berlin on the rate of crimes in East Berlin as compared with other parts of Democratic Germany; also on the basis of 100,000 inhabitants, for 1959:

W. Ger.	W. Berlin	E. Berlin	GDR
3,547	4,449	1,237	904

Criminal influences spread easily from West Berlin to East Berlin and surrounding territories since there is complete freedom of travel between the two parts of the city for Berliners. Just inside the West Berliner border there is a string of cinemas showing crime and horror films at special low rates to East Berlin youth, book stands selling "comic books" and crime fiction, also at low rates, and smoky dives and saloons.

Despite these and similar bad influences on the young people of East Berlin and the GDR, the rate of juvenile delinquency of youth in the GDR is less than half that of West Germany.

TV Fakery

West German TV camera men, taking pictures of pay day in a large Cologne factory, chose a date when wages were unusually large due to overtime and a special bonus. They also gave the workers expensive briefcases to hold. When the workers later saw the pictures being used to support the Employer Association president's claim that wages were too high, they struck for 2½ hours and won a retraction.

Dane Says No

General Højland Christensen, Commander in Chief of the Danish NATO troops in Jutland (Denmark) and Schleswig Holstein (West Germany), declared on November 24th that he would quit his position if his troops were to serve under a West German commander.

Danish Defence Minister Hansen admitted that West German wishes had been complied with so as to permit the command in this NATO area to rotate between German and Danish commanders.

Neo-Nazis Legal

The pro-nazi German Reich Party, banned in the West German province of Rhineland-Palatinate last January in connection with the swastika daubing by its members, has now been declared fully legal by the highest court of the province. The party will enter candidates in the next elections.

The German Reich Party is led by Hans Ulrich Rudel, nazi pilot who was recently barred from speaking in Britain at a meeting run by Sir Oswald Mosley, British fascist.

BERLIN NOTEBOOK

By Allen Mann

It may be raining, but December is definitely here again, and with it the time to wish readers of GERMAN REPORT a Happy New Year, a merry Christmas, a pleasant Chanukah, a happy Diwali and whatever other holiday may be celebrated in their country or family.

I wonder if any of the western papers will reprint the hardy old perennial about Christmas, Christmas trees or Christmas carols being forbidden in Democratic Germany. The best answer to such stories has always been a trip to the traditional Weihnachtsmarkt (Christmas Market) on Marx-Engels-Platz in East Berlin, just a few blocks away from the West Berlin border.

As in every year, the huge brightly-lighted Christmas tree in the middle of the square looks down on dozens of carousels, swings, roller coaster and ferris wheel rides, and on booths selling thousands of Christmas gifts ranging from electric trains to bathrobes and bedroom slippers. Even more numerous are the booths selling hot sausages (still the favourite here), shashlik, potato pancakes, fried chicken, waffles, cotton candy and candied apples. Coconuts also make their annual Christmas appearance at the fruit stands and several restaurants and cafés have been erected for the occasion. Main attractions are a big tent full of toys, an even bigger circus tent with three daily performances of an ice show, and a big forest with thousands of fir trees, peopled by Hansel and Gretel, Jack the Giant Killer, Puss in Boots and many other fairy tale figures.

Big Mistake

I went with my wife and little boy to the Christmas Fair the first Sunday it was opened, on November 27th. This was a big mistake, for it was jammed with well over 100,000 people. What our little family needed was a bunch of husky men to fight a way for us through the crowds — the best candidates would be those western journalists who visit East Berlin for a few hours and then write long articles claiming that it is empty of people. You may have seen their articles in your newspaper; they like to tell how the few remaining East Berliners always huddle in their homes for fear of the terrible police and their many spies who wait everywhere to hear what is being whispered. Near the fun house and ferris wheel it would have been difficult for even the best eavesdropper, I am afraid, for with all the music, shouting and girlish squealing it was difficult to hear even my own son's not very frail voice.

But fear did at least stalk the Christmas Market in one place. We watched the faces of some of the parents as their children dragged them towards the roller coaster ride, and fear or panic express their emotions only mildly. We were no exception, I must admit.

* * *

I should not spoil the holiday mood, but I must mention a few "Christmas presents" of a very different kind which made the news lately.

First there was the Tiger tank, captured by the British from Rommel during the war in North Africa and now returned to the nazi generals who lost it at the time. General Sir Richard McCreery, who presented the rather bulky gift to the West Germans, expressed "the hope that this tank will be regarded as a symbol of unity ... in a common cause — the defence of the free world". It was a fine speech; luckily the big swastika on the tank had been painted over just in time — that would have been a little bit too symbolic!

* * *

Soon after, there was news of another very welcome Christmas present. Franz Schlegelberger, once State Secretary in Hitler's Ministry of Justice, just won a round in his fight to get back his full pension. Sentenced to life imprisonment at Nuremberg in 1947, he was released in 1951 and should now get his full reward — 2,894 marks a month (£270) plus back payments of about 25,000 marks (over £2000).

The Schleswig-Holstein court which tried his case ruled that when Schlegelberger turned over 74-year-old Markus Luftgas to the Gestapo in 1941 it was no crime because as a Jew he would have been killed anyway. The fact that Schlegelberger was implicated in euthanasia murders of mental patients and also in plans for sterilising Jews did not represent crimes either, the court ruled. One reason was that Schlegelberger "lacked the consciousness that his actions were contrary to his duty." The court also decided that if he had refused to work on these projects he would have had to fight it out with Hitler, and that would have meant "even greater inroads on constitutionality and judicial independence."

In the topsy-turvy world of West German political decisions we can all be grateful for one thing, anyway. Schlegelberger is too old to get a job in the Foreign Office or Cabinet.

* * *

One more event is worth mentioning. Only a few yards from the East Berlin border, West Berlin workers clearing a ruined cellar found a big, tightly-locked metal safe. It was found to contain documents from the notorious nazi "People's Court", with court records and over 1000 death sentences, including those of two famous anti-nazi students, Hans and Sophie Scholl. A West Berlin government committee has started to investigate the case, but has thus far refused to name any names. Who knows how many West Berlin and West German legal big-wigs will sleep sounder during their Christmas holidays — just because the safe was not found two blocks eastwards in East Berlin?

Seasonal Satiety

To save this Guest Notebook from ending on too sour a note, I should also mention some of the Christmas problems of parents here in the GDR.

Every nationally-owned place of employment here has a big Christmas party for its employees' children. If both parents work, that means two parties. There is always a Christmas party in every school and kindergarten; then there are parties in the Young Pioneer organisation, at church for the children of church-goers, and of course at home for everybody. This means many pounds of sweets and an alarming pile of dolls, mechanical cars, boats, blocks and teddy bears. Where I work, for example, every parent receives 20 marks to buy a big present, which is later handed out to the children by St. Nicholas at the Christmas party (after the puppet show and the food).

Several changes have now been proposed. One is to invite the children to only one of their parent's places of employment for a party, a step which would make life easier for many mothers and fathers. Another proposal is for the factories and offices to give the kind of gift which all the children can use together, such as tents or sports equipment. These could be used in the summer, when the children all go off to their summer camps, which are also set up by the factories.

I think both suggestions would help normalise Christmas a little for the GDR's rather spoiled but very happy children.

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